



## Disposition of Cases Involving Unlicensed Use of the CPA Title by Previously Licensed Individuals<sup>1</sup>

The Virginia Board of Accountancy (“VBOA”) delegates to the Executive Director for the Board the authority to resolve disciplinary cases in which a previously licensed certified public accountant (“CPA”) engages in use of the CPA title when he/she no longer holds a current active Virginia CPA license due solely from an inadvertent failure to timely renew, and does not meet the requirements to use the CPA title in Virginia under the substantial equivalency provisions of § 54.1-4411 and has not been granted Inactive status.

In cases where the individual, based on the facts and circumstances, would have been eligible for Inactive status had he/she applied, the Board adopted the following guidelines for resolution of cases:

Length of Expiration	Possible Action
First offense (self-report) 90 days or less	Advisory Letter
First offense (all others) 90 days or less	Consent Order; Reprimand
First offense (self-report) 91 days to 180 days	Consent Order; Reprimand and Monetary Penalty of \$250
First offense (all others) 91 days to 180 days	Consent Order; Reprimand and Monetary Penalty of \$500
First offense (self-report) 181 days to one year	Consent Order; Reprimand and Monetary Penalty of \$750
First offense (all others) 181 days to one year	Consent Order; Reprimand and Monetary Penalty of \$1,000

In cases where the individual has practiced public accounting, has used the CPA title in signing tax returns or power of attorney forms during the time period when their license was expired, or whose job duties require a substantial use of accounting, financial, or tax, the Board adopted the following guidelines for resolution of cases:

Length of Expiration	Possible Action
First offense (self-report) 90 days or less	Advisory Letter
First offense (all others) 90 days or less	Consent Order; Reprimand

Notwithstanding the foregoing, in cases in which there is a suspicion of a willful act, the licensee will be scheduled for an IFF conference.

<sup>1</sup> In all cases, expired individuals must reinstate once the license goes into expired status. Reinstating a Virginia individual CPA license must include meeting the requirements of Code of Virginia § 54.1-4413.2, meeting the continuing professional education requirements in accordance with VBOA regulation 18VAC5-22-90, and submitting an individual CPA License Reinstatement Form to the VBOA with the required non-refundable fee of \$350, CPE documentation and other requested information.



## Applicable Laws

### **§ 54.1-4400. Definitions.**

As used in this chapter, unless the context clearly indicates otherwise...“Using the CPA title in Virginia” means using “CPA,” “Certified Public Accountant,” or “public accountant” (i) in any form or manner of verbal communication to persons or entities located in Virginia or (ii) in any form or manner of written communication to persons or entities located in Virginia, including but not limited to the use in any abbreviations, acronym, phrase, or title that appears in business cards, the CPA wall certificate, Internet postings, letterhead, reports, signs, tax returns, or any other document or device. Holding a Virginia license or the license of another state constitutes using the CPA title.

\* \* \*

“Practice of Public Accounting” means the giving of an assurance other than (i) by the person or persons about whom the financial information is presented or (ii) by one or more owners, officers, employees, or members of the governing body of the entity or entities about whom the financial information is presented.

\* \* \*

### **§ 54.1-4409.1. Licensing requirements for persons.**

A. A person must be licensed in order to use the CPA title in Virginia.

1. The person shall hold a Virginia license if he provides services to the public and the principal place of business in which he provides those services is in Virginia.

2. Other persons shall not be required to hold a Virginia license in order to use the CPA title in Virginia provided that they hold the license of another state and comply with the substantial equivalency provisions of § 54.1-4411.

### **§ 54.1-4414. Prohibited acts.**

Neither (i) a person who does not hold a Virginia license or who does not meet the requirements to use the CPA title in Virginia under the substantial equivalency provisions of § 54.1-4411 nor (ii) an entity that does not meet the criteria prescribed by subdivision D 1 of § 54.1-4412.1 shall:

1. Practice public accounting;
2. Claim to hold a license to use the CPA title;
3. Make any other claim of licensure, registration, or approval related to the preparation of financial statements that is false or misleading;
4. Use the CPA title; or
5. Refer to any of the standard-setting authorities listed in the standards of conduct and practice in subdivisions 5 and 6 of § 54.1-4413.3, or refer to or use any of the terminology prescribed by those authorities for reporting on financial statements, in any form or manner of communication about services provided to persons or entities located in Virginia.